INFLUENCE OF RETAIL INVESTORS' DYNAMICS ON THE GROWTH TRAJECTORY OF THE INDIAN CAPITAL MARKET

Synopsis

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INTRODUCTION

Capital market is a place where buyers and sellers of shares aggregate and through these shares, they claim ownership of companies. The market capital of the country's stock market is directly proportional to its economy. It is the face of the growing market and companies. Growing market capital develops industrialization and generates more employment opportunities which will increase the per-capita income of the country. Bombay Stock Exchange is India's oldest stock market platform. Before globalization and industrialization, people preferred to invest in safe and fixed return options but as time pass rates on these deposits have decreased significantly and investors are moving towards riskier assets with high returns on their investments. Investor around the world have become increasingly responsible for their financial planning and saving therefore investment culture has become a part of Indian society. A few years ago, financial institutional investors played a vital role in stock market investment, as the market recognized as risky investments that common people could not bear or predict. Financial institutions and their teams of stock traders work as a chain between the stock market and investors. They are acknowledged as the experts who are capable to navigating this topography. So, they take charge of investing money of individuals and organizations. However, this scenario has dramatically changed more than 50% of daily transactions accounted by retail investors, it indicating to their growing influence and active participation in the stock market. Retail investors not only expand the investor base but also provide a strong foundation for the market as well as the country's economy. Retail investors' investment work as a countervailing force against foreign portfolio investor outflows. Enhanced participation of Retail investors provides a stable and strong foundation for the Indian stock market. Apart from economic fundamentals and solid policies, the current bull run is the result of high retail participation as per economic times the number of Demat accounts has skyrocketed from about 4 crores in March 2020 to approximately 14 crores in March 2024, approximately 10 cr. new investors have joined the country's wealth creation initiative. A rise in demat accounts indicates that more households are willing to do direct equity investing instead of depending on financial institutions.

NO STOPPING
Nearly 23 mn new demat accounts have been added in the past six months
Demat A/Cs (mn)
New additions
Total
Sep '23 3.07 129.66
Oct '23 2.68 132.35
Nov '23 2.78 135.13
Dec '23 4.09 139.22
Jan '24 4.68 143.90
Feb '24 4.35 148.25
Mar '24 3.12 151.38
Apr '24 3.07 154.45
May '24 3.60 158.05
Source: CDSL, NSDL

Figure 1: Trend of Demat Account Holder
(Source: Business Standard (Aug 19, 2024))

RETAIL INVESTORS

The definition of the retail investor in India has changed over time. Till August 2003, under the SEBI Guidelines, 2000, a retail investor was defined as an individual investor applying for allotment of 10 or fewer marketable lots in a fixed issue or up to 1000 units in a book-built issue. Since the prices of share values in IPOs from different firms can vary, a definition of this kind based on the number of shares applied for does not consider the volume of investment made in any IPO by the investor concerned, though that is an important factor distinguishing the character of different investors. To take account of investment size, the retail investor was subsequently redefined to reflect her choice of stock by value. In August 2003 the definition was amended to include all individual investors applying for securities worth Rs. 50,000 or less, with that value being subsequently revised to Rs. 1,00,000 in March 2005 and then to Rs. 2,00,000 in November 2010.

ROLE OF THE STOCK MARKET IN THE ECONOMIC DEVELOPMENT OF INDIA

"Finance" is a crucial component of economic growth and has been highlighted by the growing significance of financial markets around the world and in the Indian context; the panorama is almost the same. The growth trajectory of the capital market coincided with increased economic enrichment and rapid growth so we can summarize that the stock market plays a significant role in the development of an economy. Various core sectors in the economy need huge amounts of funds and the stock market works as a great financial supporter that helps to mobilize funds into the core sectors of the economy and

eliminate the deficiency of capital in core sectors. The major factor of the Indian stock market, it has a wide variety of investment avenues i.e. stock, derivatives, mutual funds, etc. and for the exchange it has an automatic and fastest(T+0) trading system therefore, businesses can expand their level of operation and create more job opportunities because of uninterrupted capital flow. This will indicate a low rate of unemployment and automatically it will increase rate of revenue for the government by corporate taxes. The stock market, as a foundation of an economy, has a substantial impact on the advancement of business and industry, which has a major influence on the overall health of the economy of country. Despite this fact, many analysts view stock markets in developing countries as "casinos" that have little positive and potentially a large negative impact on economic growth. The phenomenon that the stock market and the economy move in tandem with each other, not always absolute. Due to high market sentiment, stock prices can fall in good economic times beside rise in bad ones. In fact, various factors that don't exactly affect the country's economy can have an impact on the stock markets. For instance, geopolitics, natural disasters, and interest rates are some factors that may not absolutely affect the economy of the country, but they all majorly influence stock prices However, the direction in which the market moved over a day or over a few weeks may not align with the state of the economy, but over a long term they are likely to follow the same path.

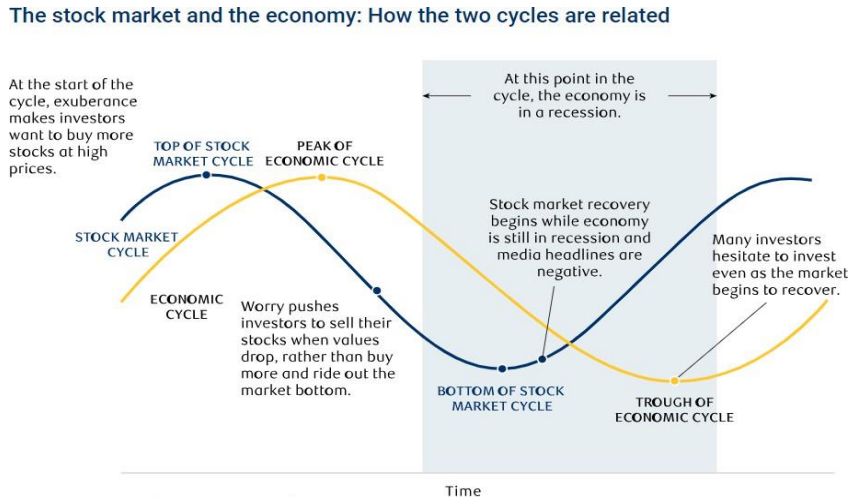
The stock market and the economy: How the two cycles are related
At the start of the cycle, exuberance makes investors want to buy more stocks at high prices.
At this point in the cycle, the economy is in a recession.
TOP OF STOCK MARKET CYCLE
PEAK OF ECONOMIC CYCLE
STOCK MARKET CYCLE
ECONOMIC CYCLE
Worry pushes investors to sell their stocks when values drop, rather than buy more and ride out the market bottom.
Stock market recovery begins while economy is still in recession and media headlines are negative.
Many investors hesitate to invest even as the market begins to recover.
BOTTOM OF STOCK MARKET CYCLE
TROUGH OF ECONOMIC CYCLE
Time

Figure 2: Relation of Stock Market and Economy
(Source: RBC GAM)

REVIEW OF LITERATURE

Review of literature is a prominent element of the research. It works as a foundation base for future research. A review of the literature provides a deep insight into other related aspects that help to

understand the past and current development of knowledge. A critical review of the literature aims to analyse available information to decipher what research gaps are still unexplored or yet not fully uncovered by previous researchers. Researcher has done a meticulous review of the literature which is as follows:

Table 1: Numbers of Review of Literature

Review	Number
International	21
National	10
TOTAL	**31**

Table 2: International Review of Literature

S. No.	Authors	Year & Journal	Title	Objectives	Findings
1.	B, B., & R, G. K.	2024 *Social Science Research Network (SSRN)*	Investors' perception towards the Initial public offering of startup companies	To analyse the perception and awareness among individual investors about IPOs of startups.	The study concluded that 96.1% of the investment decisions in startup IPO are influenced by sector performance, financial performance, size and purpose of IPO, quality management, and company profile.
2.	Froment in, V.	2024 *Social Science Research Network (SSRN)*	Mutual funds, market return, volatility, and uncertainty: The case of Luxembourg	This article aims to explore the relationships between fund flows (sales and repurchases), financial activity and volatility, and uncertainty, based on aggregate data of funds of Luxembourg between 1995 and 2023.	The study showed that volatility is positively correlated to increase in purchases and sales by investment funds, NARDL model also demonstrated that financial activity negatively influenced by redemptions and that volatility and uncertainty are asymmetric.
3.	Zhou, X., Zhan, F., & Chang,	2023 *Social Science Research Network (SSRN)*	How Retail Investors Affect the Stock Market	This study estimates the effect of retail Investor trading activities on	The study revealed that an important trade-off between stock liquidity

	Chan.			market liquidity and price efficiency of the stock market.	and price efficiency in financial markets dominated by retail investors. Reducing retail investors' improvement in price efficiency.
4.	Chikwira, C., & Mohammed,J. I.	2023 *Economies*	The Impact of the Stock Market on Liquidity and Economic Growth: Evidence of Volatile Market	This study aims to determine whether stock market impacts are communicated in an economically unstable environment, by factors such as volatility, high inflation rates, and political instability	The study revealed that there is a positive statistically significant association between Zimbabwe's stock market and economic growth. However, stock market liquidity has no major influence on Zimbabwe's economic development.
5.	Singh, C. B., & Jain, N.	2023 *Research Gate Innovation Challenges in Multidisciplinry Research & Practice*	Assessing SEBI's Influence on the Indian capital market: a comprehensive study	This study endeavoured to analyse the impact of the Securities and Exchange Board of India (SEBI) on the Indian stock market.	A study has gained insights into the evolution of SEBI's regulatory framework and its dynamic impact on market participants, investors, and the broader economy. SEBI succeed to ensuring market transparency, safeguarding investor interests, and promoting corporate governance standards which provide a sense of trust and confidence in the Indian capital market.

6.	Chellang, S., & Konwar, N.	2023 *International Journal of Creative Research*	Inter-state variation of financial literacy inIndia	To investigate the interstate variation based on financial knowledge, financial behaviour and financial attitude in India.	A Study concluded that there are some states viz. Puducherry, Rajasthan, Bihar which demands more emphasis on building positive attitude And developing behaviour towards money-related matters. In contrast, Chandigarh demands increasing financial knowledge instead of behaviour and attitude. On the other hand, there are states like Dadra and Nagar Haveli, Daman and Diu, Odisha, Tripura that need attention in all the areas of financial literacy.
7.	Tiwari, K.	2023 *International Journal of Research Publication and Reviews*	Impact of financial literacy in India	This study aims to analyse financial literacy status in India	Study identified that according to a survey conducted by the National Institute of Securities Markets, only 24% of Indians are financially literate also there are several drawbacks that still exist in India's financial education ecosystem, such as inadequate infrastructure, lack of awareness, and low levels of financial inclusion. The study also found

					that financial literacy rates are lower in rural areas and among women.
8.	Phatale, P. N.	2023 *International Journal of Interdisciplinary Innovative Research & Development (IJIIRD)*	Probable reasons behind the explosive growth in demat accounts in the Indian stock market	This study aims to identify the key reasons that led to the significant increase in the number of Demat account holders in the Indian stock market.	The study identified several probable reasons for this explosive growth, including easier access to smartphones and the internet, the availability of convenient mobile trading apps, smooth and easy access to the stock market due to improved technology, digitization and growing awareness about equities, and the impact of the covid-19 pandemic on financial planning investments.
9.	Bhadra, S., & Chopra, A.	2022 *SPRINGER*	Study of the impact of dematerializatio n of shares on the Indian stock market	The study aims to assess the current scenario of paperless trading on the volume of trade and its limitations and the effect of the dematerialization of shares in the Indian stock market and analyze its integration with the world market.	Dematerializatio n helped to reduce wrong deliveries and trade settlement time and also increased transparency. After dematerializatio n, the mutual fund industry and the share market have also witnessed tremendous growth.
10.	Elangoan, R., Irudayasa my, F. G., & Parayitam, S.	2022 *SPRINGER*	Month-of-the-Year Effect: Empirical Evidence from Indian Stock Market	The study aims to examine the existence of month-of-the-year effects in the Indian stock market.	Study found that the month-the-of-the-year effect is the 'March effect.'
11.	Pallathad	2022	An Empirical	To know the	The study

	ka, H., L. K., Devi, T.B., Devi, S. K., & Singh, S. K.	*Integrated Journal for Research in Arts and Humanities*	Study of Small Retail Investors in India on Investors' Perception of Investing in the Stock Market	Investors' perception of investing in India's Stock Market.	suggested that small retail investors view the stock market as a place where prices change based on the scenario, there is significant impact of retail investors on the stock market and retailers are able to make educated decisions and return work as motivational factors.
12.	Khandal, S.	2022 *Asian Journal of Management and Commerce*	Indian stock market: A study on rise of retail investors	The researcher aims to understand the reasons of the rise in retail investments and other aspects like investor awareness, goals, and types of investments made by retail investors of Delhi.	Study revealed that youngsters were keener to take high-risk positions for high returns. However, study found in the study that many of the investors did not know market landscape latest developments. They were blindly following advice given by friends and relatives.
13.	Wader, G., & Hassani, V.,	2022 *International Journal of Food and Nutritional Sciences* (*UGC CARE*)	A Study on the Growth of Retail Individual Investors	The study aims to analyse growth of retail investors in NSE Ltd. and factor affecting their investment decisions	The study concluded that investment awareness and technology advancement are the main reasons for the growth of retail investors in NSE Ltd.
14.	Srivastava, P. K.	2021 *Webology*	SEBI's Regulatory role strengthening Capital Market in India	This research paper critically examines the Security Exchange Board of India's role in regulating the capital market and how it will	Study concluded that in recent years SEBI emphasis on sustainable finance and its Integration of

				help strengthen the Indian capital market.	environmental, social, and governance (ESG) considerations into its regulatory framework which reflects forward looking view of regulatory authorities.
15.	Arumugam, M., & Mahalakshmi, A.	2021 *Utkal Historical Research Journal*	A study on investment behavior of demat and trading account holders in Bengaluru city	The study aims to identify the investment behavior of demat account holders, and why they don't trade often.	Study found that income, occupation, and knowledge play a vital role in investment. The reason that some investors hold off or suspend trading for a particular period afterward a particular period they lose attention and lack attaining adequate knowledge before taking the big step.
16.	Rajan, S.	2020 *International Journal of Creative Research Thoughts*	A study on the role of SEBI as a regulatory authority in the Indian capital market	To know the roles and responsibilities of SEBI related to protection of investors in India.	Study observed that SEBI was successfully able to manage reform and provide protection to retail investors. They are also the application limit for retail investors to Rs 2 lakh, from Rs 1 lakh at present. Thus, SEBI must balance between the costs of regulation and market development.
17.	Hridhya, P., &	2020 *Journal of*	An insight to financial	The study aims to Provide an insight	Study concludes that in India all

	Jayaprakash Reddy, R.	*Emerging Technologies and Innovative Research*	literacy in India –a review of literature	towards concept of financial literacy and various initiatives taken by RBI and SEBI for the improvement of financial literacy.	the regulatory bodies imposed various creditable efforts for the development of financial literacy in the country. Regardless of all attempts the level of financial literacy among the individuals in our country is not that satisfactory. Also recommend that financial literacy should be part of school and higher education curriculum so that students can learn and used in trading.
18.	Dasari, R. B.	2019 *International Journal for Research in Engineering Application & Management*	The SEBI Role in Indian Stock Market	To find out the role of the Security Exchange Board in India and what reforms taken by SEBI in the market.	Researcher found that the Security Exchange Board of India works as a controller of the Indian stock market an provides structure which a work in an effective way and provide mobilization and allotment of wealth through the capital market.
19.	Singh, D.	2019 *Global Journal of Engineering Science and Research*	Analysis of demat a/c & online trading of India bulls Ltd. In Dehradun	To examine the performance of Indiabulls and compare with other brokers available in the market. Also, identify consumer satisfaction.	Study found that most of the investors are satisfied with the service provided by indiabulls ventures limited also they feel safe to trade online with Indiabulls, but

					they charge high fees for these services on the other hand other securities companies (angel broking, share khan, Motilal Oswal) charges are low fees.
20.	Wazal, M. S., Shar ma, S. K., & Sharma, S. K	2017 *IOSR Journal of Business and Management*	Participation of Retail Investors in Indian Equity Market	This paper Mainly will Obtain to estimate population of Retail Investors in the Indian Equity Market and then compare the outcome with some of the leading economies of the world.	Study revealed that in India Retail investor participation amongst the lowest. Retail investors in India extremely distributed with western region leading with nearly half of the investor population.
21.	Sahu, G.K.	2017 *International Journal of Academic Research and Development*	A critically analysis on SEBI'S regulation over Indian securities market	The study Analyses SEBI's role in regulating and developing the Indian securities market since 1992, focusing on its initiatives and impact on investor protection.	The study's findings Reveal that SEBI's regulatory framework has significantly improved investor protection and market through stringent disclosure requirements and reforms that enhance transparency. However, challenges such as governance issues and the need for continuous regulatory updates persist. Statistical analysis indicates a positive correlation

					between SEBI's interventions and market performance, highlighting increased liquidity and participation. The study emphasizes securities market in India.

Table 3: National Review of Literature

S.No.	Authors	Year & Journal	Title	Objectives	Findings
1.	Jesrani, A. R.	2024 *GAP Interdisciplin-arities*	Impact of tax on investments in capital markets in India	This study determined that how taxes affect investment choices and market efficiency by examining the tax system.	The study found that taxes have a large and complex influence on capital market investments in India. With changes in tax rates promote and demoting economic growth and market efficiency, tax law reforms have historically influenced investor behaviour and market dynamics.
2.	Alim, W.	2024 *Shodhganga*	Study of Factors Affecting Investment Strategy Employed by Retail Investors in Select Cities of Uttar Pradesh	To identify the factors influencing investment strategies of the retail investors in the Indian Financial Market.	Study revealed that there were major factors such as liquidity of the instrument, tax related benefits, previous performance, associated risk can impact investment decisions of retail investors. Demographic factors, social

					factors such as opinion of family, relatives, economic factors such as strong confidence in the economy and inflation also play crucial role in the decision of investors.
3.	Bushra	2024 *Shodhganga*	Analysis of Retail Investors Behavioural Biases in Stock Market an Empirical Study of Delhi NCR Post Recession	The study aims to compare the behavioural biases of retail and institutional investors and measure their impact on retail investors' decisions in the stock market concerning Delhi NCR.	Study concluded that majority of retail investors belong to 18-30 years of age group, and most of the respondents were not married (61.6 percent). Majority of respondents are well educated with 82.9 percent having a postgraduate or higher degree.
4.	Begum, N.F., K, S.N., & S.	2023 *ANVESAK Sardar Patel Institute of Economic & Social Research*	A study on risk perception and portfolio management of equity investors	The study aims to understand the perceptions of the investors and tools available for investors and also examine their judgment and approach toward market opportunities.	The study observed that the overall risk perception of investors lies between moderate to high levels with very minute differences between the two levels.
5.	Gupta, V., Srivastava, S., & Ratan, R.	2023 *Economics, Finance and Management Review*	Stock market as an investment platform among business colleges graduates	The purpose of this study is to assess knowledge of business college students about stock market products, investment avenues, institutions, and	The study revealed that the students at business colleges are aware of the stock market as an investment platform, so they prefer and are interested in

				services also evaluate their perception.	investing in the Stock Market.
6.	Chand, T.	2023 *Indian Journal of Accounting*	Investment objectives and satisfaction: a study on retail investors of Delhi-NCR	To study the level of importance of the investment objectives and their investment satisfaction.	Study has drawn the inference that there is an insignificant difference between population means of age, education and income groups pertaining to their investment objective.
7.	Jain, A., & Arora, G.S.	2023 *Juni Khyat (UGC Care)*	Exploring the rise of stock market awareness in India: A post pandemic perspective	The study examines the factors that discourage the investors to invest in stock market also highlight current state of stock exchange awareness in India.	Study has been concluded that age and income do not have any relation with the awareness level of investors, but occupation does. Increased participation of retail investors has also contributed to the growth of the Indian stock market.
8.	Roy,S., Verma, R.C., & Kumar, A.	2023 *Think India Journal*	Comparative study of Training Programs Conducted by Prime Stock Exchanges for Entrepreneurs	The study aims to analyze and compare training programs conducted by NSE Ltd. and BSE Ltd.	Study concluded that SEBI should raise the educational eligibility criteria of the stockbrokers and also take regulatory measures after consulting with stockbrokers
9.	Roy, S.	2020 *Indian Journal of Accounting*	Stock Market Asymmetry & Investors' Sensation on Prime Ministerial Tenure: Indian Evidence	To examine the growth and sentiments of investors on Prime Minister of BSE	The study observed that the investors are more trustful to those Prime Ministers who are elected by Indian National Congress than

					other parties according to the growth of return.
10.	Roy, S., Verma, R.C., & Kumar, A.	2020 *Indian Journal of Accounting*	Covid-19 Pandemic & Its Impact on Stock Market Impact on Stock Market	To examine the impact of COVID-19 and the vulnerable situation caused by COVID-19 on the stock market.	Study revealed that all the selected indices are sharply affected by the COVID-19 shock except Shanghai Composite Index (SCI) in China. The investors consider China stock market safer during emergency.

RESEARCH GAP

After going through past literature, Researchers acknowledge that the predominant focus of the major studies has been on retail investors' perception and awareness of the stock market. Various studies evaluate impact of financial literacy, regulatory bodies, digitalisation on retail investors' decision making separately. However, no study has figured out the major reasons for the shift of retail investors and how it affects the trend & growth of the Indian stock market. According to the economic survey of India retail investors' participation has increased in the Indian equity stock market in past years which is simultaneously reflected in the growth of the Indian stock market. Therefore, the researcher is motivated to bridge this gap. The proposed study will undertake to reveal the major factor that becomes a cause for the shift of retail investors towards more risky assets and their impact on the trend & growth of the Indian stock market through analysing growth indicators of the Indian stock market

NEED OF THE STUDY

1. This study will help professionals, investors and various other people to make investment decisions by considering current trends.
2. Research will help to assist the market regulator SEBI and the stock exchanges in framing their regulations as per the changing preferences of retail investors.
3. The study will help to design training and education programs regarding retail traders in the Indian

capital market.

4. Research will help to acknowledge the role of retail investors in the growth of the Indian capital market.
5. It will also help to recount magnitude of technology upgradation and future potential to increase the reach of retail investors.
6. The study will help to provide priority-wise investment avenues for retail investors, considering the perception of retail investors towards risk and return.

OBJECTIVES OF THE STUDY

1. To investigate the progress and trends in the Indian capital market across multiple dimensions.
2. To examine the impact of the growth of retail investors on the progress of the capital market in India.
3. To predict the future trend of capital market growth of NSE Ltd. and BSE Ltd across multiple dimensions.
4. To assess the perception of retail investors regarding factors influencing investment in the capital market in India.

RESEARCH HYPOTHESES

To achieve the objectives of the study, the researcher will be tested the following null hypotheses, as per the future needs of the study, hypotheses will be formulated.

H_{01}: There is no significant impact of the growth of retail investors on the progress of the capital market.

H_{02}: There is no significant difference in the perception of retail investors regarding significant factors influencing the investment.

RESEARCH METHODOLOGY

RESEARCH DESIGN

The research design for the study is analytical and descriptive research as per specific objectives.

DURATION OF THE STUDY

The study will consider ten financial years from 2014-2015 to 2024-2025.

SAMPLE SIZE & SELECTION CRITERIA

Primary Data:

For the collection of primary data, all the retail investors will be taken as a population. A questionnaire will be formulated to collect the relevant information from at least 385 retail investors of NSE and BSE. Sample size is defined through Cochran's sample size formula.

$$\mathbf{n_0} = \frac{\boldsymbol{Z^2 pq}}{\boldsymbol{e^2}} = \frac{(\mathbf{1.96})^2(.\mathbf{5})(.\mathbf{5})}{(.\mathbf{05})^2} = \mathbf{385}$$

Hence,

z= Z value at 95% confidence level is 1.96

p=Population proportion assumed as 50%. (often set to 50% for maximum variability)

q=1-p

e= Margin of error (0.05)

$n_{0=}$ Representative sample for proportion **(sample size)**

(Source: Adhikari (2021))

Secondary Data:

In India, there are seven main Stock Exchanges registered under the Securities and Exchange Board of India (SEBI) such as BSE Ltd., Calcutta Stock Exchange Ltd., Metropolitan Stock Exchange of India Ltd., NSE Ltd. etc., out of these BSE Ltd. and NSE Ltd. are the two main Stock Exchanges with highest market capitalization of listed companies consider for the study.

Table 4: Average Market Capitalization of NSE Ltd. & BSE Ltd.

Stock exchange	Average market capitalization (2023-2024)
National Stock Exchange of India Ltd.	3,84,21,668.00
Bombay Stock Exchange Ltd.	3,86,97,099.77

(Source: Historical information from NSE Ltd. & BSE Ltd. Website.)

DATA COLLECTION

The study will utilize both primary and secondary data to attain its different objectives.

Primary Data:

For the collection of primary data, questionnaire will be formulated to collect the relevant information from at least 385 retail investors. Investors will be selected based on convenience sampling.

Secondary Data:

Data of growth indicators will be collected through the official websites of NSE Ltd., BSE Ltd.,

Annual reports of CDSL Ltd. and NSDL Ltd. considering for number of demat account holders.

TOOLS AND TECHNIQUES:

The researcher will be used various statistical tools and statistical software, such as MS Office, SPSS, Jamovi for data analysis. The researcher may also adopt statistical tools other than those below mentioned as per the progress of the study.

Table 5: Statistical Tools

Descriptive statistics	Inferential statistics
Mean, Standard Deviation, etc.	Shapiro-Wilk, Cronbach Alpha, Chi-square, Correlation, Regression, Granger Causality Test, etc.

Presentation Tools:

For data presentation, various tools will be used like Graphs, Charts, etc.

Table 6: Objective Wise Research Methodology

Objectives	Research Methodology
To investigate the progress and trends in the Indian capital market across multiple dimensions.	To accomplish this objective, a researcher will collect data on no. share traded, demat account holders, market capitalization, etc from various secondary sources such as NSE Ltd. & BSE Ltd., etc. for analysing growth, the researcher will apply percentage and trend analysis.
To examine the impact of the growth of retail investors on the progress of the capital market in India.	This objective will be achieved by analysing the relationship between the market capitalization of listed companies of NSE Ltd. & BSE Ltd. and the investment of retail investors of NSE Ltd. & BSE Ltd. and the hypothesis will be tested by Granger Causality Test and Regression, etc.
To predict the future trend of capital market growth of NSE Ltd. and BSE Ltd.	This objective will be attained through secondary data such as no. of shares traded, demat accounts holders, market capitalization, etc. from various secondary sources such as NSE Ltd. & BSE Ltd., and the hypothesis will be tested through the econometrics model.
To assess the perception of retail investors regarding factors influencing investment in the capital market in India.	To accomplish this objective researcher will utilize a questionnaire and the hypothesis will be tested by Chi-Square Test.

Table 7: Proposed Chapter Plan

Chapter 1	Introduction
Chapter 2	Review of Literature
Chapter 3	Analyze the growth of the capital market
Chapter 4	Analyze the impact of the investment of retail investors on the market capitalization of listed companies
Chapter 5	Prediction of the future growth of the capital market in India
Chapter 6	Analysis of the perception of retail investors
	Finding, Conclusion, and Suggestion
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